

CITY OF ATLANTA



OFFICE OF MUNICIPAL CLERK

STATE OF GEORGIA



CITY OF ATLANTA

COUNTY OF FULTON

I, **Foris Webb III**, do hereby certify that I am the duly appointed **Deputy Municipal Clerk** of the City of Atlanta, Georgia, and as such am in charge of keeping the Minutes of the City Council of the said City of Atlanta. I further certify that the attached is a true and correct copy of **An Ordinance (03-R-0773)**:

A Resolution By
Councilmembers Felicia A. Moore and H. Lamar Willis As Amended by

Finance/Executive Committee

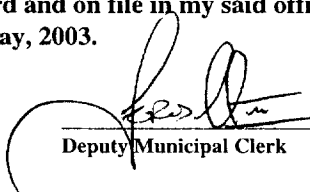
As amended by Full Council

A RESOLUTION AUTHORIZING THE SELECTION OF ONE OR MORE QUALIFIED HEDGE PROVIDERS RELATED TO THE CITY'S SERIES 2003RF AIRPORT GENERAL REVENUE REFUNDING BONDS; AUTHORIZING THE MAYOR TO ENTER INTO ONE OR MORE QUALIFIED HEDGE AGREEMENTS RELATED TO THE CITY'S SERIES 2003RF AIRPORT GENERAL REVENUE REFUNDING BONDS; AUTHORIZING THE MAYOR OR HER DESIGNEE TO ESTABLISH FINAL DETAILS OF THE QUALIFIED HEDGE AGREEMENTS; AUTHORIZING THE EXECUTION AND DELIVERANCE OF SU QUALIFIED HEDGE AGREEMENTS; FOR OTHER PURPOSES.

ADOPTED as amended by Council
APPROVED by the Mayor

May 19, 2003
May 19, 2003

all as the same appears from the original, which is of record and on file in my said office.
GIVEN under my hand and seal of office this 19th day of May, 2003.


Deputy Municipal Clerk



03-R-0773

**A RESOLUTION BY COUNCILMEMBERS FELICIA MOORE &
H. LAMAR WILLIS AS AMENDED BY FINANCE/EXECUTIVE
COMMITTEE & FULL COUNCIL**

**A RESOLUTION AUTHORIZING THE SELECTION OF
ONE OR MORE QUALIFIED HEDGE PROVIDERS
RELATED TO THE CITY'S SERIES 2003RF AIRPORT
GENERAL REVENUE REFUNDING BONDS;
AUTHORIZING THE MAYOR TO ENTER INTO ONE
OR MORE QUALIFIED HEDGE AGREEMENTS
RELATED TO THE CITY'S SERIES 2003RF AIRPORT
GENERAL REVENUE REFUNDING BONDS;
AUTHORIZING THE MAYOR OR HER DESIGNEE TO
ESTABLISH FINAL DETAILS OF THE QUALIFIED
HEDGE AGREEMENTS; AUTHORIZING THE
EXECUTION AND DELIVERANCE OF SUCH
QUALIFIED HEDGE AGREEMENTS; ANF FOR
OTHER PURPOSES.**

WHEREAS, pursuant to the terms of a Third Supplemental Bond Ordinance adopted February 24, 2003 (the "Bond Ordinance"), the amendment and restatement of which is being introduced to the Atlanta City Council, the City of Atlanta desires to issue its Series 2003RF Airport General Revenue Refunding Bonds (the "Series 2003RF Airport Revenue Refunding Bonds") in an aggregate principal amount not to exceed \$750,000,000 to refund all or a portion of the City's outstanding Airport Facilities Revenue Refunding Bonds, Series 1994A, Airport Facilities Revenue Refunding Bonds, Series 1996, and Airport Facilities Revenue and Refunding Bonds, Series 200A; and

WHEREAS, the Bond Ordinance authorizes the City to issue a portion of the Series 2003RF Airport Revenue Refunding Bonds in a variable or auction rate interest mode (collectively, the "Series 2003RF Variable Rate Bonds") and;



WHEREAS, to obtain the maximum available debt service savings in the refunding transaction, the Bond Ordinance authorizes the City to enter into one or more interest rate swap transactions (each a "Qualified Hedge Agreement," as such term is defined in the Bond Ordinance) with one or more interest rate swap counterparties (each a "Qualified Hedge Provider" as such term is defined in the Bond Ordinance) and

WHEREAS, to assist the City in selecting Qualified Hedge Providers and in negotiating the Qualified Hedge Agreements, the Mayor has utilized and will continue to utilize the services of its Financial Advisors, Public Resources Advisory Group and Dobbs, Ram & Company, and of Bond Counsel, Greenberg Traurig, LLP and the Payne Group; and

WHEREAS, the Mayor has determined to select Qualified Hedge Providers pursuant to a competitive bidding procedure developed at the recommendation of the City's Financial Advisors; and

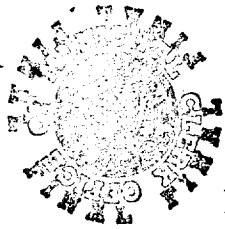
WHEREAS, as part of the bidding process, at least ten qualified investment banking firms or other financial institutions have submitted proposals to the City to act as a Qualified Hedge Provider and to enter into Qualified Hedge Agreements with the City, the terms and provisions of which are to be contained in one or more certain Master Agreements, Schedules and Credit Annexes (collectively, the "Master Agreements"); and

WHEREAS, pursuant to the terms of the Master Agreements, the Qualified Hedge Providers will pay the City interest at a variable rate per annum based upon a notional amount equal to the principal amount of the Series 2003RF Variable Rate Bonds outstanding, and the City will pay the Qualified Hedge Provider interest at a fixed rate per annum upon the same notional amount; and

WHEREAS, the hedge transactions reflected in the Master Agreements will result in a substantial economic benefit to the City and the Airport; and

WHEREAS, the Master Agreements will each provide that the payment of all amounts required to be paid by the City under each such contract are limited obligations of the City, payable solely from the Pledged Revenues of the Airport (as defined in the Bond Ordinance); and

WHEREAS, the City Council wishes to approve the forms of the Master Agreement and to delegate to the Mayor the authority to finalize the details of the swap transaction within certain conditions and parameters and to execute and deliver the Master Agreements on the City's behalf.



NOW, THEREFORE, The City Council of the City of Atlanta, Georgia, hereby resolves as follows:

Section 1. The City hereby approves its entry into one or more variable rate to fixed rate interest rate swap transactions ("Transactions") solely for the purpose of hedging any interest rate exposure related to the City's issuance of its Series 2003RF Variable Rate Bonds, all as more fully set forth in the Bond Ordinance.


Section 2. The City hereby approves the selection of one or more Qualified Hedge Providers for the Transactions pursuant to the terms of a competitive bidding process recommended by the City's Financial Advisors.

Section 3. The Mayor is authorized to select one or more Qualified Hedge Providers as counterparties to the Transactions pursuant to criteria of creditworthiness, minority participation, the terms of the Master Agreements as negotiated, price, and such other criteria deemed necessary by the City's Financial Advisors, Law Department and the Chief Financial Officer.

Section 4. The City hereby approves the form of the Master Agreement substantially in the form attached hereto as Exhibit A, with such variations, revisions, omissions, insertions and filling in the blanks as may be necessary and determined by the Chief Financial Officer, after consultation with the City's Financial Advisor, Bond Counsel and City Attorney.

Section 5. The City has determined that the Transactions will be of substantial economic benefit to the City and that all of the following additional conditions shall be satisfied at the time that the City enters into the Master Agreements:

- (i) the aggregate notional amount of the Transactions shall not exceed \$675,000,000 at any time through the term of the Transactions;
- (ii) the credit ratings of the Qualified Hedge Providers selected as counterparties to the Transactions will not be less than as permitted by the Bond Ordinance for Qualified Hedge Providers; and, at the time of closing of the Transaction, the obligations of the Qualified Hedge Providers in the Transaction shall be subject to collateralization if there is a credit downgrade during the term of the transaction below a minimum level to be determined by the Chief Financial Officer in consultation with the City's Financial Advisors;



(iii) the Transaction shall contain provisions that clearly state the terms and conditions upon which the City may terminate the Transaction.

Section 6. The Mayor is granted full authority:

- (i) to negotiate, with the assistance of the Chief Financial Officer, the City's Financial Advisors, the City Attorney and Bond Counsel, the terms of each Master Agreement on behalf of the City; and
- (ii) to execute each Master Agreement on behalf of the City and to take such actions and to enter into such ancillary agreements as shall be necessary or appropriate to consummate the Transactions. Execution of the Master Agreements and any other agreements by the Mayor shall be conclusive evidence of the City's approval of such documents in final form.

Section 7. The Mayor, the Chief Financial Officer, the City Attorney, and the Municipal Clerk of the City are hereby authorized and directed to do all acts and things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to effectuate the Transaction contemplated by the Master Agreements if all of the conditions set forth in Section 5 above have been satisfied. In the event that the Mayor is unable to execute and deliver the Master Agreements or any other documents contemplated by the Master Agreements, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the City.

Section 8. This Resolution is adopted consistent with the procedures established by the City Council for entering into hedge agreements with revenue bonds as provided by Resolution 01-R-0156 of the City Council adopted February 5, 2001; however, in light of the amount of debt service savings available at this time as a consequence of the current interest rate market, the City Council specifically approves the execution and delivery of Qualified Hedge Agreements in amounts which, in the aggregate, may relate to Airport General Revenue Bonds bearing interest at a variable rate being outstanding in an amount greater than 20% of the total amount of Airport General Revenue Bonds then outstanding.

Section 9. This Resolution is supplemental to, and not in lieu of, all of the powers and authority granted to the City in the Bond Ordinance related to the Transactions. Any conflict between the provisions of the Resolution and the Bond Ordinance are to be resolved in favor of the Bond Ordinance.



Section 10. Following the conclusion of this Transaction, the Chief Financial Officer shall make a report to the Finance/Executive Committee and all Council members, which shall include:

- (i) the final terms and pricing contained in the Master Agreement;
- (ii) a listing of all firms which bid on this transaction as swap counterparties;
- (iii) a listing of all firms which participated on this transaction as swap counterparties with the corresponding dollar amounts of their participation.

Section 11. *The city will offer the bond underwriters the opportunity to act as hedge agreement counterparties and have the opportunity to be awarded, at their discretion, up to 50% of the national amount of cash hedge agreement, at a rate equal to the winning competitive bid(s) selected by the city.*

Amendment incorporated by krp/OMC 5/20/03

A true copy,


Deputy Clerk

**ADOPTED as amended by Council
APPROVED by the Mayor**

MAY 19, 2003
MAY 19, 2003

RCS# 4744
5/19/03
5:48 PM

Atlanta City Council

Regular Session

03-R-0773 Authorize Selection of Hedge Providers
for Funding Airport Revenue Bonds
ADOPT AS AMEND

YEAS: 11
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 4
EXCUSED: 0
ABSENT 1

NV Smith	Y Archibong	Y Moore	Y Mitchell
Y Starnes	Y Fauver	Y Martin	NV Norwood
Y Young	Y Shook	NV Maddox	Y Willis
B Winslow	Y Muller	Y Boazman	NV Woolard

03-R-0773

(Do Not Write Above This Line)

A RESOLUTION
BY COUNCIL MEMBERS

Walter H. Hester
H. J. Hester

A RESOLUTION AUTHORIZING THE
 SELECTION OF ONE OR MORE
 QUALIFIED HEDGE PROVIDERS,
 AUTHORIZING THE CHIEF
 FINANCIAL OFFICER TO ENTER
 INTO ONE OR MORE QUALIFIED
 HEDGE AGREEMENTS RELATED TO
 THE CITY OF ATLANTA'S SERIES
 2003RF AIRPORT GENERAL
 REVENUE REFUNDING BONDS;
 DELEGATING AUTHORITY TO THE
 CHIEF FINANCIAL OFFICER TO
 ESTABLISH FINAL DETAILS OF THE
 QUALIFIED HEDGE AGREEMENTS;
 AND AUTHORIZING THE CFO TO
 EXECUTE AND DELIVER SUCH
 QUALIFIED HEDGE AGREEMENTS;
 TO RESCIND CONFLICTING
 RESOLUTIONS; AND FOR OTHER
 PURPOSES.

ADOPTED BY
☐ CONSENT REFER
☐ REGULAR REPORT REFER
☐ ADVERTISE & REFER
☐ 1st ADOPT 2nd READ & REFER
☒ PERSONAL PAPER REFER
COUNCIL

Date Referred 5/5/03

Referred To: Finance/Executive

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee _____
 Date _____
 Chair _____
 Referred To _____

Final Committee

Date 5/14/03

Walter H. Hester
Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

C. T. M. Hester
Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Refer To

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

C. T. M. Hester
Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

Refer To

Committee

Date

Chair

Action

Fav, Adv, Hold (see rev. side)

Other

Members

FINAL COUNCIL ACTION

☐ 2nd ☐ 1st & 2nd ☐ 3rd

Readings

☒ Consent ☐ V Vote ☐ RC Vote

CERTIFIED

CERTIFIED
 MAY 19 2003

ATLANTA CITY COUNCIL PRESIDENT

Robert W. Hester
Chairman

CERTIFIED
 MAY 19 2003

DEPUTY MUNICIPAL CLERK

APPROVED
 MAY 19 2003

Walter H. Hester
 MAYOR

Removed from consent
 by Moore 5/19/03

AS AMENDED